



شركة الوثبة الوطنية للتأمين
ALWATHBA NATIONAL INSURANCE CO

Discussion report and analysis of the board of directors for Al Wathba National Insurance Company (PJSC)

Date	25 th March, 2024			
Name of the Listed Company	Al Wathba National Insurance Company (PJSC)			
The period of the financial statements covered by the report	2023 Annual Financials			
Overview of the main results during the financial period	Insurance service result: AED (33.14) M Net Investment Income: AED 229.06M Net insurance finance income /(expenses): AED 0.84 M (Loss) / profit for the period: AED 177.08M			
Securities issued during the financial period	NA			
Summary of the most important non-financial events and developments during the financial period	AWNOC was honored with the Silver Sheikh Khalifa Excellence Award (SKEA) in the Services Category. This prestigious recognition underlines our commitment to quality initiatives, operational excellence, digital transformation, and superior customer service.			
Summary of operational performance during the financial period	During this period (Q4 2023), we have achieved Insurance service results of AED (33.14) million (IFRS-17 Basis) and recorded a net investment income of AED 229.06 during the period.			
Summary of profit and loss during the financial period	AED '000	2023	2022	Var
	Net Insurance service result	(33,144)	(21,504)	(11,640)
	Net Investment Income	229,069	69,147	159,922
	Net Insurance finance income and expenses	848	1,073	(225)
	Total Income	196,773	48,716	148,057
	Other Operating income /expenses net	(19,684)	(17,324)	(2,360)
	Profit for the period	177,089	31,392	145,697



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Summary of financial position as at the end of the financial period	Total Deposits & Cash: AED 117.57 M Total Assets: AED 1.75 billion Total Share Holders Equity: AED 1.27 billion
Summary of cash flows during the financial period	Net Cash generated from operating Activities: AED (39.38) M Net Cash Generated in Investing Activities: AED 222.81 M Net Cash Generated in Financing Activities: AED (171.21) M
Main performance indicators	Insurance service ratio (12%)
Expectations for the sector and the company's role in these expectations	The gross premium for the market has increased by around 14.4 % YoY as per market reports and the increase in property and liability insurance premiums by 13.7 % YoY. AWNIC is taking active steps to improve the market share by strengthening the distribution channels and also offering innovative products in the market
Expectations regarding the economy and its impact on the company and the sector	It is expected that the UAE's real GDP will grow by 5.3 % in 2024, compared to 3.4 % in 2023. This growth will be driven by strong domestic demand, supported by rising oil prices and continued government spending. The non-oil sector is also expected to perform well, with growth of Inflation is expected to moderate to 2.5% in 2024 as interest rates stay high and the dirham remains strong, keeping imported inflation contained. The UAE's central bank has already taken steps to tighten monetary policy, which is expected to help to bring inflation under control. The insurance sector in the UAE is poised to experience double-digit growth this year, buoyed by the expanding economy and a flourishing workforce along a positive correction in motor insurance premiums and the expected growth in health insurance premiums on account of the new governmental initiatives.
Future for growth and changes in operations in future periods	AWNIC continues to make further gains on its digital investments along the movement towards cloud solutions to facilitate and keep up with the market technological and digital advancements.



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The size and impact of current and projected capital expenditures on the company	Net Capital expenses for the period were AED 1.6 million.
The developments of the implementation of projects, plans and transactions and deals that were discussed by the company's board of directors in the report for the previous fiscal year	The strategy plan for AWNIC for FY 2024-2027 stands approved by the Board which puts ambitious yet achievable targets. The goal is to improve the market presence and market share with a renewed focus on the core operations ie. Insurance operations. The investment segment has also been providing excellent returns and the expectation is that AWNIC will continue to deliver the investor expectations.

Muralikrishnan R
Authorized Signatory
Chief Financial Officer

